

Medical Assistance Services

STARS Number & Budget Unit: 270 HWIA

Bill Number & Chapter: H385 (Ch.375), S1238 (Ch.330), S1230 (Ch.325), H395 (Ch.398)

PROGRAM DESCRIPTION: Provide a complete program of medical and dental services to eligible recipients throughout Idaho. Care and services include, but are not limited to: hospitalization, surgery, nursing home care, prescription drugs, and treatment of other medical conditions as defined in the state plan.

DIVISION SUMMARY:	FY 2004 Total Appr	FY 2004 Actual	FY 2005 Total Appr	FY 2006 Request	FY 2006 Gov Rec	FY 2006 Approp
BY FUND SOURCE						
General	241,307,300	240,581,600	303,679,400	339,569,200	321,271,400	331,274,200
Dedicated	51,159,900	77,211,400	77,162,700	79,206,700	79,206,700	77,978,600
Federal	572,811,400	688,062,200	736,538,400	798,372,300	755,553,100	779,439,700
Total:	865,278,600	1,005,855,200	1,117,380,500	1,217,148,200	1,156,031,200	1,188,692,500
Percent Change:		16.2%	11.1%	8.9%	3.5%	6.4%
BY EXPENDITURE CLASSIFICATION						
Personnel Costs	12,954,400	13,769,300	15,485,200	17,578,700	17,525,000	16,936,300
Operating Expenditures	18,474,300	22,575,300	20,641,400	18,707,300	18,517,800	18,486,600
Capital Outlay	29,600	203,400	0	71,700	0	0
Trustee/Benefit	833,820,300	969,307,200	1,081,253,900	1,180,790,500	1,119,988,400	1,153,269,600
Total:	865,278,600	1,005,855,200	1,117,380,500	1,217,148,200	1,156,031,200	1,188,692,500
Full-Time Positions (FTP)	233.56	251.50	260.00	279.00	279.00	271.00
DECISION UNIT SUMMARY:	FTP	General	Dedicated	Federal	Total	
FY 2005 Original Appropriation	257.00	288,171,600	63,988,100	699,241,400	1,051,401,100	
HB 805 One-time 1% Salary Increase	0.00	49,900	0	84,900	134,800	
1. Medicaid Use Increases	0.00	15,457,900	13,148,500	37,113,500	65,719,900	
2. Adult Access Card Program	3.00	0	26,100	98,600	124,700	
FY 2005 Total Appropriation	260.00	303,679,400	77,162,700	736,538,400	1,117,380,500	
Non-Cognizable Funds and Transfers	0.00	(4,800)	0	123,400	118,600	
Budgeted Reversion	0.00	(11,300)	0	(8,000)	(19,300)	
FY 2005 Estimated Expenditures	260.00	303,663,300	77,162,700	736,653,800	1,117,479,800	
Removal of One-Time Expenditures	0.00	(148,800)	(139,800)	(2,450,300)	(2,738,900)	
FY 2006 Base	260.00	303,514,500	77,022,900	734,203,500	1,114,740,900	
Benefit Costs	0.00	60,400	0	123,100	183,500	
Inflationary Adjustments	0.00	21,076,400	58,100	50,281,200	71,415,700	
Nonstandard Adjustments	0.00	(40,700)	0	81,100	40,400	
Annualizations	0.00	0	289,000	1,085,700	1,374,700	
27th Payroll	0.00	0	190,900	337,200	528,100	
Fund Shifts	0.00	6,551,800	17,700	(6,569,500)	0	
FY 2006 Maintenance (MCO)	260.00	331,162,400	77,578,600	779,542,300	1,188,283,300	
4. Estate Recovery	3.00	(34,200)	400,000	(194,800)	171,000	
9. Mental Health Care Provider Credentialing	1.00	7,200	0	(252,200)	(245,000)	
15. Health Facility Surveyors	4.00	138,800	0	138,800	277,600	
22. Program Development Specialists	3.00	0	0	205,600	205,600	
FY 2006 Total Appropriation	271.00	331,274,200	77,978,600	779,439,700	1,188,692,500	
Change From FY 2005 Original Approp.	14.00	43,102,600	13,990,500	80,198,300	137,291,400	
% Change From FY 2005 Original Approp.	5.4%	15.0%	21.9%	11.5%	13.1%	

SUPPLEMENTALS: H385 provides additional funding for provider payments in FY 2005. S1238 provides the additional spending authority approved by JFAC to implement the Adult Access Card Program in FY 2005. An additional \$26,100 from the Idaho Health Insurance Access Card Fund, and \$98,600 from federal funds was appropriated for a total of \$124,700.

APPROPRIATION HIGHLIGHTS: Personnel benefit costs were funded. Medical inflationary increases were provided. Nonstandard adjustments include an \$84,800 reduction for non-state office rent, an increase of \$123,400 in personnel costs from federal funds, and an \$1,800 increase in building services space charges. The authorized Fund Shifts compensate for the Federal Medical Assistance Participation (FMAP) rate change from 70.58% to 69.953%, and the enhanced FMAP rate change from 79.403% to 78.965%. Separate legislation funded the one-time 27th Payroll from dedicated and federal funds including the Economic Recovery Fund in place of the General Fund (S1230). A one-time 1% Change in Employee Compensation (CEC) increase was provided contingent upon a prescribed balance in the General Fund at the end of fiscal year 2005 (H395).

LEGISLATIVE INTENT: (1) REAPPROPRIATION OF THE COOPERATIVE WELFARE FUND. There is hereby reappropriated to the Department of Health and Welfare any unexpended and unencumbered balances in the Cooperative Welfare Fund as appropriated to the Medical Assistance Services Program for fiscal year 2005, to be used for nonrecurring expenditures only for the period July 1, 2005, through June 30, 2006. The reappropriation shall be computed by the Department of Health and Welfare from available moneys.

(2) EXPENDITURES OF COLLECTED RECEIPTS. Notwithstanding the provisions of Section 67-3516(2), Idaho Code, the Department of Health and Welfare is hereby authorized to expend all receipts collected as noncognizable funds for the period July 1, 2005, through June 30, 2006.

(3) NONMEDICALLY NECESSARY PROCEDURE. The Department of Health and Welfare shall discontinue paying for nonmedically necessary circumcision for male infants as recommended to the Joint Finance-Appropriations Committee by the House of Representatives Health and Welfare Committee. The estimated savings from discontinuing this procedure are \$172,800 from the General Fund. Major private insurers in Idaho have discontinued this procedure based upon the newest evidence that it is medically unnecessary.

(4) MENTAL HEALTH TREATMENT. The Department of Health and Welfare shall develop appropriate and effective treatments for children with serious emotional disturbances and adults with severe and persistent mental illness based on available best practices. The department may limit partial care clinic and psychosocial rehabilitation services to these clients. Effective strategies such as single assessment process, prior authorization of services, and limitations on hours of service may be utilized by the department to ensure that the appropriate level of service is available to meet client needs.

FY 2006 APPROPRIATION:	FTP	Pers. Cost	Oper Exp	Cap Out	T/B Pymnts	Lump Sum	Total
G 0220-03 CW - General	0.00	5,745,300	6,277,900	0	319,251,000	0	331,274,200
OT D 0150-01 Economic Recovery	0.00	187,600	0	0	0	0	187,600
D 0173-00 Idaho Health Insuranc	0.00	136,200	11,200	0	1,727,900	0	1,875,300
OT D 0173-00 Idaho Health Insuranc	0.00	3,300	0	0	0	0	3,300
D 0179-00 Medical Assistance	0.00	0	0	0	2,500	0	2,500
D 0220-05 CW - Other	268.00	0	0	0	75,259,900	0	75,259,900
D 0418-00 Liquor Control	0.00	0	0	0	650,000	0	650,000
F 0220-02 CW - Federal	3.00	10,526,700	12,197,500	0	756,378,300	0	779,102,500
OT F 0220-02 CW - Federal	0.00	337,200	0	0	0	0	337,200
Totals:	271.00	16,936,300	18,486,600	0	1,153,269,600	0	1,188,692,500